

Assembly Bill No. 1262

Passed the Assembly September 12, 2003

Chief Clerk of the Assembly

Passed the Senate September 12, 2003

Secretary of the Senate

This bill was received by the Governor this _____ day of
_____, 2003, at _____ o'clock __M.

Private Secretary of the Governor

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CHAPTER _____

An act to add Article 5 (commencing with Section 11761) to Chapter 3 of Part 3 of Division 2 of the Insurance Code, relating to workers' compensation insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1262, Matthews. Workers' compensation insurance: claims adjusters.

Existing law generally regulates insurers offering workers' compensation insurance and other specified entities involved in administering this type of insurance.

This bill would require the Insurance Commissioner to adopt regulations setting forth the minimum standards of training, experience, and skill that workers' compensation claims adjusters must possess. The bill would require every workers' compensation insurer, as defined, to certify to the commissioner that the personnel employed by the insurer to adjust workers' compensation claims, or employed for that purpose by a medical billing entity, as defined, meet those minimum standards.

The people of the State of California do enact as follows:

SECTION 1. Article 5 (commencing with Section 11761) is added to Chapter 3 of Part 3 of Division 2 of the Insurance Code, to read:

Article 5. Standards Applicable to Claims Adjusters

11761. (a) The commissioner shall adopt regulations setting forth the minimum standards of training, experience, and skill that workers' compensation claims adjusters must possess to perform their duties with regard to workers' compensation claims. The regulations adopted pursuant to this section shall, to the greatest extent possible, encourage the use of existing private and public education, training, and certification programs.

(b) Every insurer shall certify to the commissioner that the personnel employed by the insurer to adjust workers' compensation claims, or employed for that purpose by any



medical billing entity with which the insurer contracts, meet the minimum standards adopted by the commissioner pursuant to subdivision (a).

(c) For the purposes of this section, “medical billing entity” means a third party that reviews or adjusts workers’ compensation medical bills for insurers.

(d) For the purposes of this section, “insurer” means an insurer admitted to transact workers’ compensation insurance in this state, the State Compensation Insurance Fund, an employer that has secured a certificate of consent to self-insure pursuant to subdivision (b) or (c) of Section 3700 of the Labor Code, or a third-party administrator that has secured a certificate of consent pursuant to Section 3702.1 of the Labor Code.



Approved _____, 2003

Governor

